

UNITED STATES DISTRICT COURT  
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.<sup>1</sup>

PROMESA

Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**Re: ECF Nos. 2155, 2156**

**RESPONSE TO URGENT MOTION TO COMPEL  
THE COMMONWEALTH TO COMPLY WITH THE  
FIRST AMENDED ORDER SETTING PROCEDURES FOR INTERIM  
COMPENSATION AND REIMBURSEMENT OF EXPENSES OF PROFESSIONALS**

To the Honorable United States District Judge Laura Taylor Swain:

The Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), as the entity authorized to act on behalf of the Commonwealth of Puerto Rico, the Puerto Rico Sales Tax Financing Corporation, the Puerto Rico Highways and Transportation Authority, the Employees Retirement System of the Government of the Commonwealth of Puerto Rico, and the Puerto Rico Electric Power Authority (collectively, the “Debtors”), pursuant to the authority granted to it under the *Enabling Act of the Fiscal Agency and Financial Advisory Authority*, Act 2-2017, respectfully

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<sup>1</sup> The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

submits this response (the “Response”) to the *Urgent Motion to Compel the Commonwealth to Comply with the First Amended Order Setting Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [ECF No. 2155] (the “Motion”), filed by the Official Committee of Retired Employees of the Commonwealth of Puerto Rico (the “Retiree Committee”). In response to the Motion, AAFAF respectfully states as follows:

1. AAFAF objects to the Motion to the extent the payments in question are made today (as AAFAF is advised they will be). On the other hand, if the payments are not made today, AAFAF does not object to the relief sought. As noted in the Motion, AAFAF and its professionals have been in extensive communication with professionals, including the Retiree Committee professionals, regarding payments and have put forth substantial efforts to facilitate the Department of Treasury of Puerto Rico’s (the “Treasury”) payment, processing and overall compliance with the *First Amended Order Setting Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* [ECF No. 1715] (the “Interim Compensation Order”). AAFAF has spent considerable time and effort working to obtain all necessary documentation from professionals to provide to the Treasury to facilitate payment, and confirmation from the Fiscal Oversight and Management Board that payments to professionals for the Retiree Committee as well as professionals to other Title III debtors can be made in a manner consistent with the Commonwealth’s certified budget.<sup>2</sup>

2. AAFAF was advised that overdue payments were scheduled for payment and ready to be processed by the Treasury by noon A.S.T. on Friday, December 22, but that the Treasury encountered technical difficulties which made payment impossible. It is AAFAF’s understanding

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<sup>2</sup> The Retiree Committee notes, as AAFAF has previously disclosed, that AAFAF’s professionals have already received certain payments. Such payments come directly from AAFAF’s own budget, which makes the processing of these payments less complex.

that as of today, these technical issues have been resolved and payments are being processed by the Treasury to be paid today, December 26, 2017. AAFAF will provide the Court with an additional statement regarding the status of payments by 6 p.m. (AST) today.

Dated: December 26, 2017  
San Juan, Puerto Rico

Respectfully submitted,

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Respectfully submitted,

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